

DEER PARK SCHOOL DISTRICT NO. 414
Spokane County, Washington
September 1, 1994 Through August 31, 1995

Schedule Of Findings

1. The District Should Report Only Eligible Special Education Students To The Superintendent Of Public Instruction

The district should improve its internal control system to ensure that only eligible students are included on the Monthly Report of School District Special Education Enrollment (P-223H report) submitted to the Superintendent of Public Instruction (SPI). During our audit of the district's special education enrollment reporting system we found the district included ineligible students on the P-223H report.

We reviewed the files of 40 Special Education students for the 1994-95 school year that were claimed on the monthly Special Education Enrollment (P-223H) report. Our review of the supporting documentation, Individual Education Plans (IEPs), and Assessments indicated that students were claimed incorrectly for 14 months out of the 360 months tested (40 students times 9 months available), representing a 3.9 percent sample error rate. We projected this error rate over the federal portion of special education funding provided to the district (CFDA 84.027). Thus we have included \$4,861 in the accompanying Schedule of Questioned Costs.

The *Washington Administrative Code* (WAC) 392-171 defines the criteria which must be met in order for a student to be included on the Form P-223H report.

Additionally, the *Compliance Supplement for Single Audits of State and Local Governments* prescribed by the Executive Office of Management and Budget, requires current IEPs and assessments be in place to receive Special Education funding. SPI establishes the same reporting requirements in the instructions for completing the P-223H.

The ineligible students reported resulted in the district receiving federal and state funds in excess of what they were entitled to receive. This has decreased the amount of funding available to districts which reported only eligible students.

The district reported the ineligible students because they were having difficulty locating the parents to formally update the IEPs and contend they continued to provide services.

We recommend:

1. The district review all Special Education student files to determine the correct number of students to claim on the P-223H reports.
2. The district prepare corrected state Special Education Enrollment reports for fiscal year 1994-95.

3. The district contact SPI and determine the appropriate resolution of this problem.
4. The district evaluate and strengthen the internal control system over the Special Education reporting.